House of Representatives



General Assembly

File No. 60

February Session, 2006

Substitute House Bill No. 5184

House of Representatives, March 21, 2006

The Committee on General Law reported through REP. STONE, C. of the 9th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT ESTABLISHING LICENSURE REQUIREMENTS FOR GAS HEARTH INSTALLERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 20-419 of the 2006 supplement to the general
- statutes is repealed and the following is substituted in lieu thereof
- 3 (Effective October 1, 2006):
- 4 As used in this chapter, unless the context otherwise requires:
- 5 (1) "Certificate" means a certificate of registration issued under section 20-422.
- 7 (2) "Commissioner" means the Commissioner of Consumer
- 8 Protection or any person designated by the commissioner to
- 9 administer and enforce this chapter.
- 10 (3) "Contractor" means any person who owns and operates a home
- 11 improvement business or who undertakes, offers to undertake or
- 12 agrees to perform any home improvement. "Contractor" does not

include a person for whom the total cash price of all of his home improvement contracts with all of his customers does not exceed one thousand dollars during any period of twelve consecutive months.

(4) "Hearth product work" means the installation, service or repair of a propane or natural gas fired fireplace, fireplace insert, stove or log set and associated venting and piping that simulates a flame of a solid fuel fire. Hearth product work does not include (A) fuel piping work, (B) the servicing of fuel piping, or (C) work associated with pressure regulating devices, except for appliance gas valves.

[(4)] (5) "Home improvement" includes, but is not limited to, the repair, replacement, remodeling, alteration, conversion, modernization, improvement, rehabilitation or sandblasting of, or addition to any land or building or that portion thereof which is used or designed to be used as a private residence, dwelling place or residential rental property, or the construction, replacement, installation or improvement of driveways, swimming pools, porches, garages, roofs, siding, insulation, sunrooms, flooring, patios, landscaping, fences, doors and windows and waterproofing in connection with such land or building or that portion thereof which is used or designed to be used as a private residence, dwelling place or residential rental property or the removal or replacement of a residential underground heating oil storage tank system, in which the total cash price for all work agreed upon between the contractor and owner exceeds two hundred dollars. "Home improvement" does not include: (A) The construction of a new home; (B) the sale of goods by a seller who neither arranges to perform nor performs, directly or indirectly, any work or labor in connection with the installation or application of the goods or materials; (C) the sale of goods or services furnished for commercial or business use or for resale, provided commercial or business use does not include use as residential rental property; (D) the sale of appliances, such as stoves, refrigerators, freezers, room air conditioners and others which are designed for and are easily removable from the premises without material alteration thereof; and (E) any work performed without compensation by the

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- owner on his own private residence or residential rental property.
- 48 [(5)] (6) "Home improvement contract" means an agreement
- 49 between a contractor and an owner for the performance of a home
- 50 improvement.
- [(6)] (7) "Owner" means a person who owns or resides in a private
- 52 residence and includes any agent thereof. An owner of a private
- 53 residence shall not be required to reside in such residence to be
- 54 deemed an owner under this subdivision.
- [(7)] (8) "Person" means an individual, partnership, limited liability
- 56 company or corporation.
- [(8)] (9) "Private residence" means a single family dwelling, a
- 58 multifamily dwelling consisting of not more than six units, or a unit,
- 59 common element or limited common element in a condominium, as
- 60 defined in section 47-68a, or in a common interest community, as
- 61 defined in section 47-202.
- [(9)] (10) "Salesman" means any individual who (A) negotiates or
- offers to negotiate a home improvement contract with an owner, or (B)
- 64 solicits or otherwise endeavors to procure by any means whatsoever,
- directly or indirectly, a home improvement contract from an owner on
- 66 behalf of a contractor.
- 67 [(10)] (11) "Residential rental property" means a single family
- dwelling, a multifamily dwelling consisting of not more than six units,
- 69 or a unit, common element or limited common element in a
- 70 condominium, as defined in section 47-68a, or in a common interest
- 71 community, as defined in section 47-202, which is not owner-occupied.
- 72 [(11)] (12) "Residential underground heating oil storage tank
- 73 system" means an underground storage tank system used with or
- 74 without ancillary components in connection with real property
- 75 composed of four or less residential units.
- 76 [(12)] (13) "Underground storage tank system" means an

underground tank or combination of tanks, with any underground pipes or ancillary equipment or containment systems connected to such tank or tanks, used to contain an accumulation of petroleum, which volume is ten per cent or more beneath the surface of the ground.

- Sec. 2. Section 20-420 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):
 - (a) No person shall hold himself or herself out to be a contractor or salesperson without first obtaining a certificate of registration from the commissioner as provided in this chapter, except that an individual or partner, or officer or director of a corporation registered as a contractor shall not be required to obtain a salesperson's certificate. No certificate shall be given to any person who holds himself or herself out to be a contractor that performs radon mitigation unless such contractor provides evidence, satisfactory to the commissioner, that the contractor is certified as a radon mitigator by the National Radon Safety Board or the National Environmental Health Association. No certificate shall be given to any person who holds himself or herself out to be a contractor that performs removal or replacement of any residential underground heating oil storage tank system unless such contractor provides evidence, satisfactory to the commissioner, that the contractor (1) has completed a hazardous material training program approved by the Department of Environmental Protection, (2) has presented evidence of liability insurance coverage of one million dollars, and (3) has presented evidence of a surety bond in an amount not less than two hundred fifty thousand dollars. No certificate shall be given to any person who holds himself or herself out to be a contractor that performs hearth product work unless such contractor provides evidence, satisfactory to the commissioner, that the contractor has been certified as a gas specialist by the National Fireplace Institute. Nothing in this section shall prohibit the holder of an occupational license which permits the installation, servicing or repair of propane or natural gas fired fireplaces, fireplace inserts, stoves or log sets and associated venting and piping that simulates a flame of a solid fuel fire

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111 from continuing to perform such installation, servicing or repair. The

- 112 <u>holder of such license shall not be required to obtain a certificate of</u>
- 113 <u>registration under this section.</u>
- 114 (b) No contractor shall employ any salesman to procure business 115 from an owner unless the salesman is registered under this chapter.
- 116 (c) No individual shall act as a home improvement salesman for an unregistered contractor.

This act shall take effect as follows and shall amend the following sections:				
Section 1	October 1, 2006	20-419		
Sec. 2	October 1, 2006	20-420		

GL Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$
Consumer Protection, Dept.	Various - Revenue	Minimal	Minimal
	Gain		

Municipal Impact: None

Explanation

The bill would require gas hearth installers to comply with the home improvement contractor licensing provisions. Each home improvement contractor pays a registration fee of \$60 which goes directly to the General Fund, in addition to a contribution of \$100 which goes to the Home Improvement Guaranty Fund. At the end of FY 05, the Home Improvement Guaranty Fund had a balance of \$224,581. Due to the registration fee requirements and the required contribution to the Home Improvement Guaranty Fund, there is anticipated to be a revenue gain as a result of the bill.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis sHB 5184

AN ACT ESTABLISHING LICENSURE REQUIREMENTS FOR GAS HEARTH INSTALLERS.

SUMMARY:

This bill prohibits the consumer protection commissioner from issuing a home improvement registration certificate to anyone who holds himself out to be a hearth product contractor unless he provides satisfactory evidence that he is certified as a gas specialist by the National Fireplace Institute. It explicitly exempts licensed tradesmen.

EFFECTIVE DATE: October 1, 2006

HEARTH PRODUCT WORK

The bill defines "hearth product work" as the installation, service, or repair of a propane or natural gas fireplace, fireplace insert, stove, or log set that simulates the flame of a solid fuel fire and its associated venting and piping. It does not include working on or servicing fuel piping or associated pressure regulating devices, except for appliance gas valves.

LICENSED TRADESMEN

The bill states that it does not (1) prohibit a tradesman whose license allows him to perform hearth product work from continuing to perform that work or (2) require a licensed tradesman to obtain a home improvement registration. The law already exempts anyone holding a tradesman license who is working in his trade from the requirement to register as a home improvement contractor (CGS § 20-428).

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 12 Nay 4 (03/07/2006)